

Regular Meeting of the Oklahoma State Board of Health
February 13, 2018, 11:00 AM
Posted at www.health.ok.gov
Oklahoma State Department of Health,
1000 NE 10th Street, 11th Floor, Room 1102
Oklahoma City, Oklahoma 73117

AGENDA

- I. Call to Order, Roll Call, and confirmation of a Quorum.
- II. Review, discussion and approval of Minutes for:
 - a) January 9, 2018 Regular Meeting
- III. State of the State's Health Status Update – Derek Pate, Director, Center for Health Statistics
- IV. Consideration of Standing Committees' Reports and Action:
Executive Committee – Ms. Burger, Chair
Discussion and possible action on the following:
 - b) Update
Finance Committee – Ms. Wolfe, Chair
Discussion and possible action on the following:
 - c) Update
Accountability, Ethics, & Audit Committee – Dr. Grim, Chair
Discussion and possible action on the following:
 - d) Update
Public Health Policy Committee – Dr. Stewart, Chair
Discussion and possible action on the following:
 - e) Update
- V. Report of the Interim Commissioner
- VI. Consideration of a motion and vote to adjourn into Executive Session pursuant to 25 O.S. § 307(B)(4) for confidential communications between the Board and its attorney concerning pending investigations, claims, or actions, if the Board, with the advice of its attorney, determines that the disclosure will seriously impair the ability of the Board to conduct a pending proceeding in the public interest.
- VII. Executive Session pursuant to 25 O.S. § 307(B)(4), for confidential communications between the Board and its attorney concerning pending investigations, claims, or actions, if the Board, with the advice of its attorney, determines that the disclosure

will seriously impair the ability of the Board to conduct a pending proceeding in the public interest.

- VIII. Consideration of a motion and vote to return to Open Session.
- IX. Consideration, possible action and vote on matters discussed in Executive Session.
- X. New Business.
- XI. Adjournment.

STATE BOARD OF HEALTH
OKLAHOMA STATE DEPARTMENT OF HEALTH
1000 N.E. 10th Street, Room 1102
Oklahoma City, Oklahoma 73117-1299

January 9, 2018

CALL TO ORDER, ROLL CALL, AND CONFIRMATION OF A QUORUM

Martha Burger, President of the Oklahoma State Board of Health, called the meeting of the Oklahoma State Board of Health to order on Tuesday, January 9 at 11:06 a.m. The final agenda was posted at 10:51a.m. on the OSDH website on January 8, 2018, and at 10:40 a.m. at the building entrance on January 8, 2018.

Members in Attendance: Martha A. Burger, M.B.A, President; Cris Hart-Wolfe, Vice-President; Robert S. Stewart, M.D., Secretary-Treasurer; Terry R. Gerard, D.O.; Charles W. Grim, D.D.S.; R. Edward A. Legako, M.D.; Murali Krishna, M.D., Timothy E. Starkey, M.B.A.
Absent: Jenny Alexopoulos, D.O.

Central Staff Present: Preston Doerflinger, Interim Commissioner of Health; Henry F. Hartsell, Deputy Commissioner, Protective Health Services; Tina Johnson, Deputy Commissioner, Community & Family Health Services; Julie Ezell, Office of General Counsel; Tony Sellars, Office of Communications; Brian Downs, Office of State and Federal Policy; Kristy Bradley, Office of State Epidemiologist; Kim Bailey, Chief Operating Officer; and Michael Romero, Chief Financial Officer.

Visitors in attendance: (see sign in sheet)

REVIEW, DISCUSSION AND APPROVAL OF MINUTES

Ms. Burger directed attention toward approval of the Minutes for the December 12, 2017 regular meeting.

Dr. Grim moved Board approval of the December 12th meeting minutes as presented. Second Ms. Wolfe. Motion Carried.

AYE: Burger, Grim, Krishna, Legako, Starkey, Stewart, Wolfe

ABSENT: Alexopoulos

ABSTAIN: Gerard

CONSIDERATION OF STANDING COMMITTEES REPORTS AND ACTION

Executive Committee

Ms. Burger reported that the committee received an overall update on the agency by Preston Doerflinger, Interim Commissioner. There was discussion on the OSDH Corrective Action Plan as well as potential organizational structure changes. In addition, an update was provided on the first meeting on the Joint Commission on Public Health.

Finance Committee

Ms. Wolfe thanked the staff in financial services for their continued hard work and efforts in developing a financial reporting system. Mike Romero, Chief Financial Officer, was asked to share a financial update. Mr. Romero provided an overview of the OSDH financial department and the new financial reporting platform. He stated there will be an interim financial report at the next board meeting.

See Attachment A

Accountability, Ethics, & Audit Committee

Dr. Grim indicated there were no known significant audit issues to report at this time.

Public Health Policy Committee

Dr. Stewart shared with the Board that the Governor has placed Oklahoma State Question 788, Medical Marijuana Legalization Initiative, on the ballot for June 26th, 2018. If this bill passes, the Oklahoma State Department of Health would be responsible for implementation. He also indicated that the public health lab remains a priority for

the agency.

REPORT OF THE INTERIM COMMISSIONER

Mr. Doerflinger shared that the agency is taking positive steps forward with the completion of the Corrective Action Report and the Joint Commission on Public Health. He thanked the entire OSDH staff for all their hard work toward those efforts.

Discussion was held on organizational structure changes with one approach of integrating the public health side and the business side while remaining focused on the mission to improve health and protect lives.

Mr. Doerflinger was impressed with the first meeting of the Joint Commission on Public Health. It will provide a tremendous opportunity to look at how public health is delivered and how to maximize resources to impact public health in the most positive way possible.

There has been heightened interest in medical marijuana since the Governor placed it on the ballot. OSDH is not equipped to take on the implementation as it is currently prescribed so there have been initial conversations with legislators and the Governor's office about the challenges and finding a more appropriate agency to assist with implementation.

Mr. Doerflinger reiterated the importance of the public health lab and although timelines may need to be altered it remains a high priority for this agency, board, legislators, the Governor, and others.

Last, several areas within the agency are being evaluated to find the best approach for service delivery. The financial reports will come straight from Mike Romero, Chief Financial Officer, with no filters. Work will continue forward to evaluate standards and controls that will be utilized to help restore public trust in the agency.

CONSIDERATION OF A MOTION AND VOTE TO ADJOURN INTO EXECUTIVE SESSION PURSUANT TO 25 O.S. Section 307(B)(1)

Dr. Stewart moved Board approval to go into Executive Session at 11:52 AM to discuss:

- a. The employment, hiring, appointment, promotion, demotion, disciplining or resignation of the interim Commissioner of Health.
- b. The employment, hiring, appointment, promotion, demotion, disciplining or resignation of the interim Director of the Office of Accountability Systems.

Second Dr. Legako. Motion carried.

AYE: Burger, Gerard, Grim, Krishna, Legako, Starkey, Stewart, Wolfe

ABSENT: Alexopulos

CONSIDERATION OF A MOTION AND VOTE TO RETURN TO OPEN SESSION.

Dr. Stewart moved Board approval to move out of Executive Session at 1:15 PM. Second Dr. Krishna. Motion carried.

AYE: Burger, Gerard, Krishna, Legako, Stewart, Wolfe

ABSENT: Alexopulos, Grim, Starkey

CONSIDERATION, POSSIBLE ACTION AND VOTE ON MATTERS DISCUSSED IN EXECUTIVE SESSION.

Ms. Wolfe moved Board approval to set interim Commissioner Doerflinger's annual salary at \$189,000 and to approve the transfer of all requested leave upon appointment. Second Dr. Stewart. Motion carried.

AYE: Burger, Gerard, Grim, Krishna, Legako, Stewart, Wolfe

ABSENT: Alexopulos, Starkey

DRAFT

OKLAHOMA STATE BOARD OF HEALTH MINUTES

January 9, 2018

Dr. Grim moved Board approval to appoint Don Smalling, Chief Security and Safety Officer, as the interim Director of the Office of Accountability Systems. Second Dr. Gerard. Motion carried.

AYE: Burger, Gerard, Grim, Krishna, Legako, Stewart, Wolfe

ABSENT: Alexopulos, Starkey

CONSIDERATION, POSSIBLE ACTION AND VOTE TO APPOINT AN EXECUTIVE SEARCH/REVIEW COMMITTEE FOR THE POSITION OF DIRECTOR OF THE OFFICE OF ACCOUNTABILITY SYSTEMS.

Item not addressed.

NO NEW BUSINESS

ADJOURNMENT

Ms. Wolfe moved Board approval to Adjourn. Second Dr. Krishna. Motion carried.

AYE: Burger, Gerard, Grim, Krishna, Legako, Stewart, Wolfe

ABSENT: Alexopulos, Starkey

The meeting adjourned at 1:20 p.m.

Approved

Martha Burger, M.B.A.


President, Oklahoma State Board of Health

February 13, 2018

Attachment A

OKLAHOMA STATE BOARD OF HEALTH

Financial Reporting Overview



Michael Romero, Chief Financial Officer

January 9, 2018

The Finance Department

Reports to the Chief Financial Officer (CFO)

Budget & Funding	<ul style="list-style-type: none"> Budget management for the OSDH.
Payment & Reconciliation	<ul style="list-style-type: none"> Works with all OSDH service areas to ensure the timely payment of invoices. Oversees the time & attendance system.
Grants & Reporting	<ul style="list-style-type: none"> Maintains accurate and timely reports for all federal programs.
Revenue & Receipting	<ul style="list-style-type: none"> Manages all cash transactions. Bills Medicaid, Medicare and private insurers including review, correction and resubmission of denied claims.

Why Financial Reporting?

- Absence of profit requires a different focus but proper financial measurement of all activities must still occur (service delivery)
- Allocation of limited resources to unlimited needs creates public debate
- Focus on methods used to generate financial sources and the uses made of those funds
- Need to keep the public informed (Accountability)
- Compliance with legally authorized spending authority
- Large and diverse funding sources
 - Federal funding
 - Revolving Funds
 - State Appropriation

Why GASB?

(Governmental Accounting Standards Board)

- The Governmental Accounting Standards Board (GASB) is the source of generally accepted accounting principles (GAAP) used by state and local governments.
- Its mission is to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.
- The GASB has issued Statements, Interpretations, Technical Bulletins and Concept Statements defining GAAP for state and local governments since 1984.

OSDH Financial Platform



COSO Internal Control Framework

Governmental Accounting Standards Board (GASB)

Properly Executed Budgeting Framework

OSDH Financial Reporting



Oklahoma State Department of Health

Why COSO?

(Committee of Sponsoring Organizations)

- COSO was organized in 1985 to sponsor the National Commission on Fraudulent Financial Reporting, an independent private-sector initiative that studied the causal factors that can lead to fraudulent financial reporting.
- The COSO framework provides an objective measure for the development of sound internal controls within a governmental financial reporting environment

How Will COSO Improve the OSDH Financial Reporting Environment?

- By using the COSO model, the internal financial controls can be implemented objectively through a 5-Point model.
 1. The Control Environment (integrity and ethical values)
 2. Risk Assessment (assess and identify risks)
 3. Control Activities (sound policies and procedures)
 4. Information and Communication (quality of information)
 5. Monitoring (ongoing monitoring; separate evaluations)

How Will OSDH Budgeting Change for the Better?

- The OSDH will implement a formal budget call process by program area.
- Every function within the agency will be analyzed for its needs and costs and the budgets will be built around the requirements for the upcoming period based upon the strategic vision of the agency.
- This process will occur within the constraints of the available funds and the approved agency service delivery platform.

Zero Based Budgeting Will Be Used

- Costs will not simply be built upon previous budgets.
- All cost incurring activities will be examined and justified.
- Each annual budget will be reevaluated and justified in terms of strategic objectives.
- Service delivery requirements will be carefully analyzed.
- Every budget will be built with a three-year operational plan.

How Will OSDH Report Financial Results?

- Reporting will occur on a monthly basis after the closing of the accounting period.
- Reporting will allow for comparison of budget to actual results.
- Reporting will reflect all of the activity for the period and the activity for the year-to-date.
- Reporting will be built to become comparative (year over year).

Next Steps

- OSDH financial activity operates on a mainframe system.
- This system does not function like a common enterprise resource planning system.
- A monthly closing of the books for this system will require the management of all operational reporting functions within a project managed closing plan.
- This plan is extensive and is underway within the accounting department.

Next Steps, cont'd

- As closing is managed through this plan, the financial reporting platform will present the data that will reflect the activity of the Agency for each period.
- The platform will mirror many common reporting formats for similarly situated entities.

Next Steps, cont'd

- Currently, the structure for the agency's SFY 2019 budget call templates is also being developed.
- These templates will separate personnel (FTE) and non-personnel costs and will be developed in a fashion that will allow for the analysis and justification of service delivery by program area pursuant to the strategic plan and available resources.

Internal Controls Committee

- An internal controls committee is also being developed in order to add an additional layer of assurance to the integrity of the financial reporting process.
- The internal control committee will function much as an audit committee in corporate and other non-profit settings except that its focus will be limited to the oversight of the internal control system related to financial reporting and its effectiveness.

Looking Forward

- Although the OSDH is still in crisis, these steps will begin to put the agency on strong financial footing for the upcoming fiscal year.
- The steps being taken are in accordance with the Corrective Action Plan of January 1, 2018 and finance will report on the progress regularly with an Interim Report at the next Board Meeting and the new financial reporting format to be available before the end of fiscal 2018.

2017/2018 SOSH Production Calendar Draft

	Month	Meetings	Activities	Data Releases
2016	July			
	August	Focus Groups (Turning Point, Tribal Nations, Community organizations.... Review PHAB requirements)		Oklahoma 2015 Birth, Death and BRFSS data
	September			
	October	Layout/Design Concept Development	Communications - develop updated templates <i>(based on previous data book release)</i>	National 2015 Birth data released National 2015 BRFSS data released
	November	Analysis plan	Pull Indicator data Develop grades	Oklahoma 2015 Discharge data
	December			
2017	January	Jan 10, BOH Ad Hoc Committee - Suggested short 1-2 page executive summary - Interactive webbased version of the Report	Develop concept website with tableau visualizations Develop examples of Exec. Summary	National 2015 Mortality data released
	February	Feb 14, BOH Meeting presented: - Concept website - Examples of Exec. Summary		
	March			
	April	Apr 11, BOH Ad Hoc Committee	Continue development of both website and Exec. Summary	National 2015 discharge data released
	May			
	June		Development of user feedback survey	
	July	Met with Commissioner's Office - Move forward with website, include 2016 BRFSS and Mortality data, add contextual information to indicators for release Feb 2018. - Exec summary put on indefinite hold because: format /layout and length kept changing/increasing.	Refine visualizations based on feedback from BOH Ad Hoc Committee, internal staff, graphic designer.... Draft narrative for Exec. Summary <i>(based on feedback and content turned into 40+pgs)</i>	Oklahoma 2016 Birth, Death and BRFSS data
	August		Develop "Learn More" button for visualization and text management system.	National 2016 BRFSS data released
	September			
	October	Scheduled Webinar's with BOH to demo site - <i>canceled</i>	Create and load 2016 BRFSS county estimates	
	November	Scheduled Webinar's with BOH to demo site - <i>canceled</i>	Develop and load 2016 Life Expectancy at Birth estimates (State, county, gender, race..)	
	December	Scheduled Webinar's with BOH to demo site - <i>canceled</i> OSDH meeting (Brian, Buffy...) - review site, pending tasks for completion, discussed timeline....		America's Health Rankings released National 2016 Mortality data released National 2014 Cancer Incidence data released
2018	January		Obtain contextual information from programs (Due 1/19) Proof & load contextual information	
	February	Feb 13, BOH Meeting brief presentation: - latest iteration of site - Propose webinar dates for more in-depth look for members BOH Demo webinars, to be scheduled through board secretary (2/16 10:30-Noon, 2/20 10:30-Noon, 2/27 10:30-Noon)	Apply website layout/graphic modifications discussed at the end of Dec. (target completion 1/12) Add newly released data (mortality and cancer incidence) Complete website accessibility evaluation Apply BOH requested updates/modifications (note: could delay release depending on feedback/requested changes) Develop Press release Develop BOH Message/Call to action/statement	
	March	Launch of SOSH website at full Board Meeting https://StateofStatesHealth.OK.gov	Contingent upon completed modifications due to feedback received.	